



# HOUSE OF REPRESENTATIVES

HB 2238

insurance; identity theft group policies

Prime Sponsor: Representative Fann, LD 1

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<b>DP</b>	Committee on Insurance
<b>DP</b>	Caucus and COW
<b>X</b>	As Transmitted to the Governor

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## OVERVIEW

HB 2238 establishes parameters for Identity Theft Group Insurance Policies (ITGIP).

## PROVISIONS

### *ITGIP*

1. Enables an authorized and an unauthorized insurer to issue an ITGIP.
  - a. Authorized insurers must file a policy form with Department of Insurance (DOI) pursuant to statute.
2. Allows an insurer to sell ITGIP in this state, which must cover losses and expenses incurred due to a *stolen identity event*.
3. Permits an insurer to sell ITGIP to either of the following:
  - a. A business that sells services or products that are designed to prevent a *stolen identity event*.
  - b. An entity that the director of DOI determines is engaged in a common enterprise or has an economic or social affinity and the issuance of the policy would not be contrary to public interests.
4. States the eligible groups must consist of natural persons and may include an immediate family and household member.
5. Directs an insurer to treat all eligible groups of the same class in a like manner.

### *ITGIP: Premium and Cancellation*

6. States the group policyholder may pay the premium for ITGIP from monies contributed:
  - a. Wholly by the group policyholder,
  - b. Wholly by the group members, or
  - c. Jointly by the group policyholder and members.
7. Enumerates the cancellation, nonrenewal, or conditional renewal of coverage requirements.
8. Authorizes a group policyholder to cancel a policy for any reason provided the insurer and each affected group member receives a 30 days' written notice.
9. Stipulates a group policyholder is not required to give a notice if substantially similar coverage is obtained from another insurer without a lapse of coverage.
10. Stipulates a group member that sustains an identity theft loss prior to the effective date of the cancellation, nonrenewal, conditional renewal of a policy or certificate, the loss is covered under the policy.

*Miscellaneous*

11. Defines pertinent terms.
12. Exempts the Department of Insurance from rulemaking for one year after the enactment date.